



RESOLUTION

URGING THE PRESIDENT, CONGRESS, AND THE UNITED STATES SECRETARY OF EDUCATION TO CANCEL FEDERAL STUDENT LOAN DEBT.

WHEREAS, while higher education provides students with many socioeconomic benefits, rising tuition costs and a sluggish economy have saddled many graduates with significant student loan debt; and

WHEREAS, according to the Federal Reserve Bank of St. Louis, outstanding student loan debt has more than tripled since 2006, surpassing \$1.7 trillion in 2020; and

WHEREAS, according to the *EducationData.org* website, as of June 12, 2021, roughly 117,700 Hawaii borrowers had approximately \$4.3 billion in outstanding student loan debt, with an average outstanding student loan debt of \$36,500; and

WHEREAS, Lending Tree's *Student Loan Hero* website data indicate that 7.9% of Hawaii borrowers have a federal student loan balance of \$100,000 or more; and

WHEREAS, an alarming 55% of Hawaii borrowers are categorized as "not in repayment," suggesting that a large number of these borrowers may be defaulting or at risk of defaulting on their student loans; and

WHEREAS, although the State of Hawaii offers a few student loan forgiveness and repayment programs, these repayment programs often impose specific conditions on graduates and are limited to certain occupations; and

WHEREAS, federal student loan debt is held by the United States government, and the Higher Education Act of 1965 appears to authorize the President of the United States and the United States Secretary of Education to compromise or cancel certain federal student loan debt; and

WHEREAS, in addition, the United States Congress has the ability to adopt legislation to cancel federal student loan debt; and

WHEREAS, cancelling student loan debt may reduce negative health conditions, such as stress and depression, and may also remove the immediate threat of financial ruin; and

WHEREAS, experts predict that student loan debt cancellation would stimulate economic activity, increase home ownership and housing stability, and boost the creation of small businesses; and



CITY COUNCIL
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HONOLULU, HAWAII

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WHEREAS, cancelling student loan debt would also address the racial wealth gap, as students of color are more likely to take on student debt and disproportionately struggle to pay it back at higher rates than their white counterparts, perpetuating a vicious cycle of economic inequality; and

WHEREAS, the city councils of Philadelphia, Boston, Cambridge, and Washington, D.C. have passed council resolutions calling on the federal government to cancel federal student loan debt; and

WHEREAS, the City Council believes that cancelling student loan debt up to \$10,000 per person, as reported to be supported by President Joseph R. Biden, Jr., would provide relief to Hawaii student loan borrowers, stimulate economic activity during the COVID-19 pandemic, and advance racial equity; now, therefore,

BE IT RESOLVED by the Council of the City and County of Honolulu that the President, Congress, and the United States Secretary of Education are urged to cancel outstanding federal student loan debt up to \$10,000 per person; and



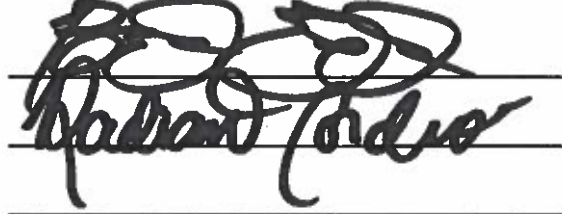
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BE IT FINALLY RESOLVED that copies of this resolution be transmitted to the President, the United States Secretary of Education, the President Pro Tempore of the United States Senate, the Speaker of the United States House of Representatives, and the members of Hawaii's congressional delegation.

INTRODUCED BY:



DATE OF INTRODUCTION:

JUL 02 2021
Honolulu, Hawaii

Councilmembers